



ASX/Media Announcement

Tuesday, 27 June 2017

## **PILBARA WELCOMES CORNERSTONE INVESTMENT BY AUSTRALIA'S CLEAN ENERGY FINANCE CORPORATION**

*CEFC confirms its involvement as a cornerstone investor in Pilbara's recently completed US\$100M bond issue, which underpins project finance for the Pilgangoora Lithium-Tantalum Project*

### **HIGHLIGHTS:**

- The Clean Energy Finance Corporation, a corporate entity of the Australian Government, confirms its involvement as a cornerstone investor in Pilbara Minerals' recently completed US\$100M senior secured bond issue, which underpins the project funding package for the Pilgangoora Lithium-Tantalum Project.
- The CEFC was established to facilitate an increased flow of funds for the commercialisation of Australian-based renewable energy, energy efficiency and low-emissions technologies.
- The CEFC investment recognises the pivotal role that the Pilgangoora Project will play in the supply of lithium raw materials to the rapidly growing global battery and renewable energy storage market.
- Full-scale site construction of the A\$234M Pilgangoora Project is about to commence after the Pilbara Minerals Board endorsed the full development of the project last week.

Australian lithium developer Pilbara Minerals Limited (ASX: PLS) ("**Pilbara Minerals**" or "**the Company**") is pleased to welcome a cornerstone investment by the Australian Government-owned Clean Energy Finance Corporation ("**CEFC**") as part of the funding package for its Pilgangoora Lithium-Tantalum Project in Western Australia.

The CEFC confirmed today its involvement as an investor in the Company's recently completed US\$100 million (A\$130 million) senior secured bond issue, which was settled last week (see ASX Announcement – 22 June 2017). The CEFC was one of several international institutional investors which participated in the bond issue following an extensive due diligence process.

The proceeds of the bond issue, together with the successful A\$80 million equity raising announced on 15 June 2017, have underpinned the project funding package for the A\$234 million development of a Stage 1, 2Mtpa project at Pilgangoora.

Located in Australia's resource-rich Pilbara region, Pilgangoora is one of the biggest new lithium ore (spodumene) deposits in the world. The Pilgangoora Project is one of the world's most important new lithium development projects, and will become a key participant in the rapidly growing global supply chain for the lithium-ion battery industry.

Pilbara Minerals Managing Director and CEO Ken Brinsden said: "We are delighted to welcome the Clean Energy Finance Corporation as a cornerstone investor as part of our overall funding package for Pilgangoora through our highly successful secured bond issue.

"The CEFC's core investment objectives are to catalyse and leverage an increased flow of funds for the commercialisation of Australian-based renewable energy, energy efficiency and low emissions technologies.

"CEFC's investment highlights the important role that Australia can play in the supply of lithium raw materials to the rapidly-growing battery market – helping to cement our key position in the global supply chain for renewable energy storage, electric vehicles and other clean energy initiatives."

CEFC CEO Ian Learmonth added: "The CEFC is pleased to be working with Pilbara Minerals on this exciting project. Lithium is an essential part of the clean energy transition, particularly as we develop enhanced battery storage technologies that will allow us to increase the use of renewable energy, both for large-scale and small-scale



projects. The lithium concentrate supplies to be produced by this project will help build Australia's capacity to supply much needed resources for the clean energy technologies that are set to play a vital role in increasing the use of renewables in our future energy mix."

### **About the CEFC**

The Clean Energy Finance Corporation invests, applying commercial rigour, to increase the flow of finance into the clean energy sector. Its mission is to accelerate Australia's transformation towards a more competitive economy in a carbon constrained world, by acting as a catalyst to increase investment in emissions reduction. The CEFC does this through an investment strategy focused on cleaner power solutions, including large and small-scale solar, wind and bioenergy; and a better built environment, with investments to drive more energy efficient property, vehicles, infrastructure and industry.

The CEFC also invests with co-financiers to develop new sources of capital for the clean energy sector, including climate bonds, equity funds, aggregation facilities and other financial solutions. The CEFC operates under the Clean Energy Finance Corporation Act 2012.

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### **Additional Information:**

#### **ABOUT PILBARA MINERALS**

Pilbara Minerals ("Pilbara" – ASX: PLS) is a mining and exploration company listed on the ASX, specialising in the exploration and development of the specialty metals Lithium and Tantalum. Pilbara owns 100% of the world class Pilgangoora Lithium-Tantalum project which is among the largest Spodumene (Lithium Aluminium Silicate) projects in the world. Pilgangoora is also one of the largest pegmatite hosted Tantalite resources in the world and Pilbara proposes to produce Tantalite as a by-product of its Spodumene production.

#### **ABOUT LITHIUM**

Lithium is a soft silvery white metal which is highly reactive and does not occur in nature in its elemental form. It has the highest electrochemical potential of all metals, a key property in its role in Lithium-ion batteries. In nature, it occurs as compounds within hard rock deposits and salt brines. Lithium and its chemical compounds have a wide range of industrial applications resulting in numerous chemical and technical uses. A key growth area is its use in lithium batteries as a power source for a wide range of applications including consumer electronics, power station-domestic-industrial storage, electric vehicles, power tools and almost every application where electricity is currently supplied by fossil fuels.

#### **ABOUT TANTALUM**

The Tantalum market is boutique in size with around 1,300 tonnes required each year. Its primary use is in capacitors for consumer electronics, particularly where long battery life and high performance is required such as smart phones, tablets and laptops.

#### **FORWARD LOOKING STATEMENTS AND IMPORTANT NOTICE**

This announcement may contain some references to forecasts, estimates, assumptions and other forward-looking statements. Although the Company believes that its expectations, estimates and forecast outcomes are based on reasonable assumptions, it can give no assurance that they will be achieved. They are indicative and may be affected by a variety of variables and changes in underlying assumptions that are subject to risk factors associated with the nature of the business, which could cause actual results to differ materially from those expressed herein. All references to dollars (\$) and cents in this announcement are to Australian currency, unless otherwise stated.

Investors should make and rely upon their own enquiries before deciding to acquire or deal in the Company's securities.